National Bio-Fuel-Policy

2667. SHRIMATI PREMA CARIAPPA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that our fossil fuel resources are fast depleting and will last for another 30-35 years;

(b) if so, the details thereof; and

(c) whether Government propose to frame National Bio-Fuel-Policy to meet the future demand in the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Total prognosticated hydrocarbon resources of the country have been estimated at about 28 Billion Metric Tonnes. Out of this, initial in place oil and gas resources of 8.7 Billion Metric Tonnes have been established. At the rate of production in 2005-06, the existing discovered reserves of oil and gas in the country as on 1-4-2006 may be sufficient for about 23 y"ears and 34 years respectively.

(c) The National Policy on Bio-Fuel is under preparation by the Ministry of Non Conventional Energy Sources.

Tax Concession to private sector

2668. SHRI MOINUL HASSAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what are the concessions/gains including tax concessions earning by the private sector in petroleum sector; and

(b) what are the burdens/advantage the public sector in petroleum sector is discharging/getting in comparison to private sector?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) The provisions of the taxation laws are uniformly applicable to both public and private sector oil' companies: Ail newly set up refineries are entitled for the following concessions.

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- A refinery is entitled to Tax Holiday on the profits earned by it for 7 consecutive assessment years from the year of commercial production under section 80JB (9) of Income Tax Act.
- Customs duty at concessional rate of 5%, as against 12.5% merit rate, is available on capital goods imported for setting up of refinery.

The direct and indirect taxes do not make any distinction between public and private sector. They enjoy similar treatment under the provisions of the Act. Further sales tax concessions are given by State Governments to public and private sector oil companies for setting up new refineries.

(b) The upstream oil PSUs like ONGC, OIL & GAIL and oil marketing companies (OMCs) namely IOCL, HPCL, BPCL and IBP are bearing a large part of the subsidy on PDS SKO, domestic LPG, MS and HSD, which is being passed on to the consumers. This burden is not being borne by the private sector oil companies.

Dispute on Sakhalin Project

2669. DR. M.A.M. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is a dispute between India and Russia about Sakhalin;

(b) if so, the details thereof;

(c) the stands taken by India and Russfa^pn these issues; and

(d) the steps taken by Government lo thrash out these issues amicably?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) No, Sir.

(b) to (d) Does not arise in view of (a) above.

Achievements under NELP

2670. SHRI S.P.M. SYED KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the ever increasing consumption of hydrocarbons has put the country under compulsion for venturing of new oil/gas discoveries;

(b) the level of achievements out of NELP in country's self sufficiency in petroleum products; and

(c) Government's future plan to overcome the demand growth indicating the target for raising the cude production?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.